



**SENATE AMENDMENT 4,
TO 1995 SENATE BILL 440**

January 9, 1996 – Offered by Senator ADELMAN.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 7: delete “and” and substitute a comma; and before the period
3 insert “and granting rule-making authority”.

4 **2.** Page 13, line 3: after “(3)” insert “(a)”.

5 **2.** Page 12, line 13: delete the material beginning with “disclose” and ending
6 with the period on line 17 and substitute: “comply with par. (b).”

7 (b) If required to comply with this paragraph under par. (a), the bank or trust
8 company shall provide the disclosure documents and obtain the signed
9 acknowledgements described in this paragraph. The bank or trust company shall
10 provide a separate disclosure document to each person, or his or her legal
11 representative, who has an interest in the trust for which the bank or trust company
12 is exercising investment discretion, including the grantor of the trust and each
13 person having a current income or remainder interest. The disclosure document
14 shall include disclosure of the rate, formula or method by which the bank, trust
15 company or affiliate is compensated for providing investment management or
16 investment advisory services to the investment company or investment trust. If the

1 investment management or investment advisory services are provided to the
2 investment company or investment trust by an affiliate, the disclosure document
3 shall describe the relationship between the bank or trust company and the affiliate.
4 The commissioner of banking may promulgate rules specifying additional
5 requirements for the disclosure document under this paragraph. The bank or trust
6 company shall obtain signed acknowledgements from each person to whom
7 disclosure is required to be made under this paragraph stating that the person has
8 read and understands the information contained in the disclosure document.

9 **SECTION 14m.** 881.015 (3) (b) of the statutes, as created by 1995 Wisconsin Act
10 (this act), is amended to read:

11 881.05 (3) (b) If required to comply with this paragraph under par. (a), the bank
12 or trust company shall provide the disclosure documents and obtain the signed
13 acknowledgements described in this paragraph. The bank or trust company shall
14 provide a separate disclosure document to each person, or his or her legal
15 representative, who has an interest in the trust for which the bank or trust company
16 is exercising investment discretion, including the grantor of the trust and each
17 person having a current income or remainder interest. The disclosure document
18 shall include disclosure of the rate, formula or method by which the bank, trust
19 company or affiliate is compensated for providing investment management or
20 investment advisory services to the investment company or investment trust. If the
21 investment management or investment advisory services are provided to the
22 investment company or investment trust by an affiliate, the disclosure document
23 shall describe the relationship between the bank or trust company and the affiliate.
24 The commissioner division of banking may promulgate rules specifying additional
25 requirements for the disclosure document under this paragraph. The bank or trust

1 company shall obtain signed acknowledgements from each person to whom
2 disclosure is required to be made under this paragraph stating that the person has
3 read and understands the information contained in the disclosure document.”.

4 **3.** Page 23, line 13: delete “section” and substitute “sections”.

5 **4.** Page 23, line 14: after “(e)” insert “and 881.015 (3) (b)”.

6 **(END)**